

T: 617.330.7000 F: 617.330.7550 50 Rowes Wharf, Boston, MA 0211

John A. DeTore Direct Dial: (617) 330-7144 E-mail: jdetore@rubinrudman.com

July 26, 2006

BY HAND AND ELECTRONIC MAIL

Mary L. Cottrell, Secretary Department of Telecommunications and Energy One South Station Boston, MA 02110

Re: <u>D.T.E. 06-40, NSTAR Electric Merger</u>

Dear Secretary Cottrell:

Enclosed is an original and eight (8) copies of the Second Set of Information Requests of the Massachusetts Institute of Technology to NSTAR Electric.

Please date-stamp the enclosed copy of this cover letter and return it to the messenger for our files.

Thank you for your attention to this matter.

Sincerely,

John A. DeTore

John S. De Perc

Donna C. Sharkey

JAD/df Enclosures

cc: Service List

COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Petition of NSTAR Electric Company)	D.T.E. 6-40
)	

MASSACHUSETTS INSTITUTE OF TECHNOLOGY SECOND SET OF INFORMATION REQUESTS

INSTRUCTIONS FOR ALL MASSACHUSETTS INSTITUTE OF TECHNOLOGY DISCOVERY ISSUED TO NSTAR IN THIS PROCEEDING

- 1. These Information Requests call for all information, including information contained in documents, which relates to the subject matter of the requests and which is known or available to NSTAR d/b/a Boston Edison Company or Cambridge Electric Light Company or Commonwealth Electric Company or to any individual or entity sponsoring testimony or retained by the Companies to provide information, advice, testimony or other services in connection with this proceeding.
- 2. Where a Request has a number of separate subdivisions or related parts or portions, a complete response is required to each such subdivision, part, or portion. Any objection to a Request should clearly indicate the subdivision, part, or portion of the Request to which it is directed.
- 3. If information requested is not available in the exact form requested, provide such information or documents as are available that best respond to the Request.
- 4. These requests are continuing in nature and require supplemental responses when further or different information with respect to the same is obtained.
- 5. Each response should be furnished on a separate dated page headed by the individual Request being answered. Individual responses of more than one page should be stapled or bound and each page consecutively numbered.
- 6. Each Information Request to "Please provide all documents..." or similar phrases includes a request to "identify" all such documents. "Identify" means to state the nature of the document, the date on which it was prepared, the subject matter and the titles and the names and positions of each person who participated in the preparation of the document, the addressee and the custodian of the documents. To the extent that a document is self-identifying, it need not be separately identified.
- 7. For each document produced or identified in a response which is computer generated, state separately (a) what types of data, files or tapes are included in the input and the

source thereof, (b) the form of the data which constitutes machine input, (c) a description of the recordation system employed (including descriptions, flow charts, etc.), and (d) the identity of the person who was in charge of the collection of input materials, the processing of input materials, the data bases utilized, and the programming to obtain the output.

- 8. If an Information Request can be answered in whole or part by reference to the response to another Request served in this proceeding, it is sufficient to so indicate by specifying the other Request by participant and number, by specifying the parts of the other response which are responsive, and by specifying whether the response to the other Request is a full or partial response to the instant Request. If it constitutes a partial response, the balance of the instant Request must be answered.
- 9. If the Company cannot answer a Request in full, after exercising due diligence to secure the information necessary to do so, state the answer to the extent possible, state why the Company cannot answer the Request in full, and state what information or knowledge is in the Company's possession concerning the unanswered portions.
- 10. If, in answering any of these Information Requests, the Company believes that any Request or definition or instruction applicable thereto is ambiguous, set forth the language you feel is ambiguous and the interpretation you are using responding to the Request.
- 11. If a document requested is no longer in existence, identify the document, and describe in detail the reasons the document is unavailable.
- 12. Provide copies of all requested documents. A response which does not provide Massachusetts Institute of Technology with the responsive documents, and requests Massachusetts Institute of Technology to inspect documents at any location is not responsive.
- 13. If you refuse to respond to any Information Request by reason of a claim of privilege, or for any other reason, state in writing the type of privilege claimed and the facts and circumstances you rely upon to support the claim of privilege or the reason for refusing to respond. With respect to requests for documents to which you refuse to respond, identify each such document.
- 14. Each request for information includes a request for all documentation which supports the response provided.
- 15. The term "Company" refers to NSTAR as well as its subsidiaries. Unless the request specifically provides otherwise, the term Company includes all witnesses, representatives, employees and legal counsel.
- 16. Please furnish each response on a separate sheet of paper, beginning with a restatement of the question.
- MIT 2-1 Please refer to the July 14, 2006 response of Henry LaMontagne to MIT 1-19 and to AG 2-13 regarding Cambridge's Rate SB-G2 and Rate SB-G3. Please provide

the forecast of number of customers expected to elect service for Rate SB-G2 and Rate SB-G3 for each year of the period 2007 through 2010. Also provide the forecast of revenues projected from these rates for the same period of each rate class.

- MIT 2-2 Please explain how the performance-based Simplified Incentive Plan ("SIP") set forth in Article 2.6 of the Settlement Agreement in D.T.E. 05-85 applies to Cambridge's Rates SB-1, SB-G2 and SB-G3 in the years 2007 through 2012.
- MIT 2-3 For Rates SB-1, SB-G2 and SB-G3, please confirm the increase in the distribution charges will be offset by a decrease in the transition charge under the Inter-rate Stabilization Adjustment set forth in Article 2.6 of the Settlement Agreement beginning in 2007.
- MIT 2-4 Are there any existing distributed generation customers receiving service in Cambridge's service territory now?
- MIT 2-5 Do any of the existing distributed generation customers receive standby service, supplemental, or maintenance service? If so, on what rate do they receive such service?
- MIT 2-6 How many projects have signed Interconnection Service contracts in the Cambridge service territory? Based on the interconnection queue, please explain the Company's expectations for revenues from these customers for each year of the period 2007 through 2012. Are there other prospective customers such as Harvard who have engaged in preliminary discussion regarding potential distributed generation projects? Please provide a separate estimate of capacity and energy for these projects and anticipated associated revenues.
- MIT 2-7 Please confirm pursuant to the Settlement Agreement separate tariffs will be maintained for customers of Boston Edison, Cambridge and Commonwealth through 2010.
- MIT 2-8 Does NSTAR intend to continue class specific transition charges after the date of the Department's order in this proceeding?
- MIT 2-9 Will NSTAR agree to discuss with the other intervenors, in addition to the Attorney General, in this proceeding its proposals to make the tariff definitions, rate eligibility and terms for customer service uniform for distribution tariffs in each service territory in the manner outlined in Article 2.11 of the Settlement filed in D.T.E. 05-25?
- MIT 2-10 Will NSTAR agree to a prefiling notice and discussion with the intervenors in this proceeding consistent with the terms for the Attorney General related to the gradual consolidation and redesign of distribution rates set forth in Article 2.12 of the Settlement Agreement in D.T.E. 05-85?

- MIT 2-11 Please refer to the June 30, 2006 response to D.T.E. 1-19. In that response, NSTAR states that the amount transferred from transmission to distribution will be based on forecasted data and subject to reconciliation to be included in 2008. Please identify the statutory authority which would allow the Department to allow distribution rates based on forecasted data and subject to later refund in this manner.
- MIT 2-12 Please refer to NSTAR's response to DTE 2-8 which identifies new circuits and new customers added to the 13.8 kV system since the revenue and cost information provided in D.T.E. 97-95 Please provide the incremental rate base and component of the annual revenue requirement attributable to these 13.8 kV additions.
- MIT 2-13 Please refer to the response to D.T.E. 2-8 and MIT 1-16. Are the additional facilities added since D.T.E. 97-95 included in the contract referenced in response to MIT 1-16 and included in the revenue allocation ratio attributable to 13.8 facilities?
- MIT 2-14 Please refer to the response to AG 2-9 which provides the derivation of the ratio of the 13.8 kV revenue requirement to total transmission. In the calculation provided, the 13.8 kV costs are based on 2005 costs while the total transmission is based on 2006 estimates. Please provide a calculation of the ratio based on 2005 costs for both components and a calculation based on 2006 estimates for both components.
- MIT 2-15 Please explain the references of Lo-A and Lo-B in the table presented in Attachment AG-2-12 (e).
- MIT 2-16 Please provide a justification for the transmission charges of \$2.22 in Rates SB-G2 and SB-G3 as clarification to the response to MIT 1-19.
- MIT 2-17 Please provide the total revenue requirement for Cambridge Electric for all distribution facilities for cost year 2005, including 13.8kV facilities shown in the revenue requirement on Exhibit NSTAR-CLV-7 page 1 of 8. Please use the same methodologies and format as in Exhibit NSTAR-CLV-7 pages 1 through 8.
- MIT 2-18 Please provide the total revenue requirement for Cambridge Electric for all transmission facilities for cost of year 2005, excluding 13.8kV facilities shown in the revenue requirement on Exhibit NSTAR-CLV-7 page 1 of 8. Please use the same methodologies and format as in Exhibit NSTAR-CLV-7 pages 1 through 8.
- MIT 2-19 Please provide the revenues collected via Cambridge Electric's "Customer" and "Distribution" rate components for year 2005 for each rate class listed in Exhibit NSTAR-CLV-8 pages 1 through 9.
- MIT 2-20 Please provide the revenues collected via Cambridge Electric's "Transmission" rate component for year 2005 for each rate class listed in Exhibit NSTAR-CLV-8 pages 1 through 9.

- MIT 2-21 Please provide the total revenues collected via Cambridge Electric's rates for year 2005 for each rate class listed in Exhibit NSTAR-CLV-8 pages 1 through 9.
- MIT 2-22 Please provide the revenues collected via Cambridge Electric's "Transition" and "Transition Rate Adjustment" rate components for year 2005 for each rate class listed in Exhibit NSTAR-CLV-8 pages 1 through 9.
- MIT 2-23 Please provide the revenues collected via Cambridge Electric's "Default Service" and "Default Service Adjustment" rate components for year 2005 for each rate class listed in Exhibit NSTAR-CLV-8 pages 1 through 9.
- MIT 2-24 Please provide the kilowatt-hours for Cambridge Electric for year 2005 for each rate class listed in Exhibit NSTAR-CLV-8 pages 1 through 9.

COMMONWEALTH OF MASSACHUSETTS DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

Petition of NSTAR Electric Company	 D.T.E. 6-40

CERTIFICATE OF SERVICE

I hereby certify that I have this day caused to be served the foregoing document upon each person on the service list by the Secretary in this matter. Dated at Boston this 26th day of July, 2006.

Donna C. Sharkey Rubin and Rudman 50 Rowes Wharf 3rd Floor Boston, MA 02110 (617) 330-7149